



# DWARIKESH SUGAR INDUSTRIES LIMITED

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REF: DSIL/2024-25/039

April 30, 2024

Corporate Relationship Department  
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Phiroze Jeejeebhoy Towers  
Dalal Street, Fort, Mumbai - 400 001  
Fax: 22723 2082 /3132

National Stock Exchange of India Limited  
“Exchange Plaza”  
Bandra – Kurla Complex,  
Bandra [E], Mumbai - 400 051

**Scrip Code - 532610**

**Scrip Code – DWARKESH**

**Sub: Press release with respect to financial results for quarter & year ended March 31, 2024 and outlook**

Dear Sir,

In furtherance of our letter no. DSIL/2024-25/036 dated April 30, 2024 with regard to financial results for the quarter and year ended March 31, 2024 and pursuant to Regulation 30 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, we annex herewith press release on the financial results for the quarter and year ended March 31, 2024 and outlook of the company.

Kindly acknowledge the receipt and take the same on record.

Thanking you,

Yours faithfully,

**B. J. Maheshwari**

Managing Director & CS cum CCO

DIN: 00002075

Encl: as above.



# MEDIA RELEASE

Q4 & FY24 RESULTS

DWARIKESH SUGAR INDUSTRIES LIMITED |

30 APRIL 2024

QUARTER REVIEW | 1



# SNAPSHOT

**Mumbai, April 30, 2024:** Dwarikesh Sugar Industries Ltd., today announced its unaudited financial results for the quarter and year ended March 31, 2024.

In Q4 FY24, the company reported profit before tax (PBT) of Rs. 55.80 crore and profit after tax (PAT) of Rs. 22.89 crore as compared to PBT of Rs. 69.59 crore and PAT of Rs. 46.69 crore reported during Q4 FY23. During FY24, the company reported PBT of Rs. 143.99 crore and PAT of Rs. 83.52 crore as compared to PBT of Rs. 152.51 crore and PAT of 104.75 crore reported during FY23.

	Total Income	PBT	PAT	EPS
Q4 FY24	Rs. 382.06 crore	Rs. 55.80 crore	Rs. 22.89 crore	Rs. 1.22 per share
Q4 FY23	Rs. 534.44 crore	Rs. 69.59 crore	Rs. 46.69 crore	Rs. 2.48 per share
FY24	Rs. 1,721.24 crore	Rs 143.99 crore	Rs 83.52 crore	Rs 4.44 per share
FY23	Rs. 2,117.00 crore	Rs. 152.51 crore	Rs. 104.75 crore	Rs. 5.56 per share

According to the latest estimate from the Indian Sugar & Bio-energy Manufacturers, sugar production for the sugar season 2023-24 is projected at 32 million tons, accounting for a sugar diversion of 1.7 million tons for ethanol production. While there has been an increase in production estimates from Maharashtra and Karnataka, Uttar Pradesh is anticipated to register less promising production figures.

Following a brief resurgence in September 2023, sugar prices have since moderated, currently standing at around Rs. 3,800 per quintal. This adjustment can be credited to enhanced production estimates, also stemming from the implementation of a revised ethanol policy.

**Vijay S. Banka,**  
**Managing Director,**  
**Dwarikesh Sugar Industries Ltd**



# Key Numbers of P&L statement

Figures in Rs. crore except EPS

	Q4FY24	Q4FY23	FY24	FY23
<b>Total Income</b>	382.06	534.44	1,721.24	2,117.00
<b>EBIDTA *</b>	75.30	88.32	216.62	228.57
<b>Finance cost *</b>	6.86	5.92	20.13	25.85
<b>EBDT *</b>	68.44	82.40	196.49	202.72
<b>PBT</b>	55.80	69.59	143.99	152.51
<b>Tax</b>	32.91	22.90	60.47	47.76
<b>PAT</b>	22.89	46.69	83.52	104.75
<b>EPS Rs. Per share</b>	1.22	2.48	4.44	5.56

*\* Depreciation has been suitably adjusted to exclude amounts pertaining to pre-operative & trial period. Accordingly, EBIDTA & EBDT have been computed for FY23.*



## SYNOPSIS

- During the fourth quarter of the fiscal year 2024 (Q4FY24), the quantity of sugar sold was 5.69 lakh quintals (all domestic) as compared to 8.75 lakh quintals (including export of 0.66 lakh quintals) during the corresponding quarter in the previous year. Average realization on domestic sugar sold during the quarter was Rs. 3,763 per quintal vis-à-vis realization of Rs. 3,410 per quintal during the corresponding quarter last year.
- During FY24, 27.52 lakh quintals (all domestic) of sugar was sold as compared to 42.00 lakh (including export of 10.00 lakh quintals) quintals of sugar sold during the last year. Average realization on domestic sugar sold during FY24 was Rs. 3,707 per quintal vis-à-vis realization of Rs. 3,464 per quintal during last year.
- Sugar stock as on 31st March 2024 was 18.31 lakh quintals as compared to stock of 10.61 lakh quintals as on 31st March 2023. The sugar stock at the end of 31<sup>st</sup> March 2024 is valued at Rs. 3,355 per quintal.
- Industrial Alcohol sold during Q4FY24 and FY24 is 21,145 KL and 94,407 KL respectively as compared to 29,501 KL and 84,175 KL sold during corresponding periods last year. During FY24, 20,944 KL of industrial alcohol sold was made from sugarcane juice / syrup directly as compared to 46,203 KL sold (made from sugarcane juice directly) during corresponding period last year.
- On 31<sup>st</sup> March 2024, the company had outstanding long-term loans of Rs. 214.67 crore including SEFASU 2018 loan of Rs. 6.72 crore. Balance amount of Rs. 207.95 crore is in respect of loans availed for the distillery projects. All the outstanding long-term loans are at concessional rate of interest.



- 🌱 The company enjoys long term rating of (ICRA) AA- (pronounced as AA minus). The outlook assigned is 'Stable'. The company has also retained the highest rating of A1+ from ICRA for its CP program of Rs. 300 crore.
- 🌱 Q4 FY24 witnessed subdued sales / off-take. Ethanol sales and off-take remained sluggish, while sugar releases saw a decline with nearly 3 lakh quintals fewer sold compared to the corresponding quarter last year. The Central Government persisted in its policy of regulating ethanol production through the utilization of cane juice and B heavy molasses.
- 🌱 In the financial results for the year ending March 31, 2024, the impact of higher levy obligations for 'B' heavy molasses, as determined by State Government Authorities for the Molasses Year 2022-23, has been taken into account. This has led to an increase in expenditure, amounting to Rs. 19.92 crore for the year. This has also resulted in the deprivation of the opportunity to utilize molasses for ethanol production.
- 🌱 The Uttar Pradesh State Government has unveiled its molasses policy for the molasses year 2023-24, introducing an elevated levy obligation. In case of C heavy molasses, sugar mills are now mandated to allocate 26% of their molasses generation for country liquor purposes and in case of B heavy molasses they are obligated to allocate 19% of their B heavy molasses generation for country liquor purposes. Thus, by casting different levy obligation in respect of C heavy and B heavy molasses, State Government has recognized the crucial distinction in their respective ethanol output.



- 🌱 The UP-State Government has announced State Advised Price (SAP) for the sugar season 2023-24, with an increase of Rs. 20 per quintal. Additionally, the society commission rate has been maintained at Rs. 5.50 per quintal. There is revision in the transportation rebate, now standing at Rs. 9 per quintal, up from the previous Rs. 8.35 per quintal. Furthermore, the slab rate within the transport rebate has been adjusted to Rs. 0.45 per quintal per KM from the earlier Rs. 0.42 per quintal per KM.
- 🌱 During the sugar season (SS) 2022-23, our company crushed 4.01 crore quintals of sugarcane, achieving a gross recovery rate of 11.93%. However, the beginning of crushing for SS 2023-24 at our DN & DP units on October 31, 2023, and at the DD unit on November 5, 2023, was met with unforeseen challenges.
- 🌱 The Bijnor district, where 2 of our 3 units are located, experienced untimely and persistent rainfall, exacerbating the impact of a widespread red-rot attack. These adverse conditions severely affected sugarcane availability, resulting in the discouraging crushing numbers. In total, our company managed to crush 268 lakh quintals of sugarcane. Due to the challenging circumstances, our DD plant had to cease operations earlier than anticipated, closing on March 11, 2024. Subsequently, crushing operations at the DP plant concluded on March 23, 2024, followed by the DN plant on March 30, 2024. Crushing numbers also faced challenges due to increased prices offered by Jaggery and Khandsari manufacturers for sugarcane, leading to outward diversion of sugarcane.



- 🌿 The revised ethanol policy by the Central Government has also temporarily altered the dynamics of molasses generation and ethanol production. The utilization of sugarcane juice for ethanol production has been discontinued, restricting the process to B heavy molasses. Additionally, C heavy molasses is now generated to fulfill the country liquor obligation. All these factors will result in lower ethanol output.
- 🌿 While there was an increase in the price of ethanol derived from C heavy molasses, and a similar adjustment for ethanol produced from grains there was no increase in price of ethanol produced by using sugarcane juice / syrup and B heavy molasses.
- 🌿 In a recent development, the government has permitted the utilization of 6.7 lakh MTs of B heavy molasses for ethanol production. However, this decision has been made rather belatedly.
- 🌿 Q4 and FY24 under review were also characterized by the underutilization of capacities observed across both our sugar and distillery units. The underutilization at sugar units stemmed from the reduced availability of sugarcane, while our distillery units experienced the same due to the temporary halt in the ethanol blending program mandated by the Central Government. However, despite these challenges, the profit for the quarter and the fiscal received support from improved sugar realizations, better sugar recovery across all units in Q4 FY24 and use of remunerative feedstock for producing ethanol.





- 🌱 Transformations are anticipated in the forthcoming seasons, with expectations of improved crushing figures and a more diversified varietal mix. Significant efforts have been made for crop protection and varietal change, and if weather doesn't pose challenges, the next season itself is poised to witness a substantial improvement in crushing and recovery numbers.
- 🌱 Furthermore, there's an optimistic outlook that in the upcoming season, the Central Government will resume its push for the ethanol blending program with renewed enthusiasm. This revival is poised to reinvigorate the optimal utilization of distillery capacity and operational performance once more.
- 🌱 It's important to emphasize our commitment to continually enhance operational efficiencies and maintain strict cost controls. Despite the challenges posed by weather and pests, we remain dedicated to optimizing our operations and ensuring sustainable performance.



# ABOUT DWARIKESH

Dwarikesh Sugar Industries Ltd. is a leading sugar producer. The company has three fully automated and highly efficient sugar mills, located in Uttar Pradesh’s sugarcane-rich belt of Bijnor and Bareilly districts. The company’s combined production capacity is to crush 21,500 tons of sugarcane per day. Modern and technologically advanced units help the company to harness sugar by-products and produce ethanol/ industrial alcohol and bagasse-based power as growth enablers. Going forward, ethanol will be the key business driver for propelling growth as the company has achieved full integration to optimize its operations

High recovery, plant efficiencies, cane development initiatives and ethical & transparent conduct of business are the key USPs of the company. The company’s collaborative approach has helped farmers to improve their yield and maximize their returns. Focused R&D initiatives have enabled the company to ensure streamlined operations & quality supply of sugarcane, enabling high recovery and proficient production levels.

# SAFE HARBOUR STATEMENT

This press release and the accompanying results table, which have been prepared by Dwarikesh Sugar Industries Ltd (the “Company”), have been prepared solely for information purposes and do not constitute any offer, recommendation or invitation to purchase or subscribe for any securities, and shall not form the basis or be relied on in connection with any contract or binding commitment whatsoever. No offering of securities of the Company will be made except by means of a statutory offering document containing detailed information about the Company.

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